

FILED
U.S. DISTRICT COURT
DISTRICT OF NEBRASKA

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA

12 SEP 19 AM 11:59

UNITED STATES OF AMERICA,)	OFFICE OF THE CLERK
)	8:12CR 300
Plaintiff,)	INDICTMENT
)	
v.)	
)	18 U.S.C. § 844(i)
THOMAS SCHROPP,)	18 U.S.C. § 1341
)	18 U.S.C. § 1343
Defendant.)	18 U.S.C. § 844(h)
)	18 U.S.C. § 2
)	

INDICTMENT

The Grand Jury charges:

GENERAL ALLEGATIONS

At all times material to this Indictment:

1. Schropp Industries, Inc. d/b/a PK Manufacturing Corporation was a Nebraska corporation having its principal place of business at 1608 U.S. Highway 75, Nashville, Washington County, Nebraska.
2. PK Manufacturing Corporation was in the business of manufacturing a full line of agricultural, lawn and garden, and turf sprayers, ATV implements and blades, as well as wagon gear and head trailers.
3. Defendant, THOMAS SCHROPP, was the President and a Director of Schropp Industries, Inc. and managed the day-to-day operations of PK Manufacturing Corporation.
4. R&C Properties was a Nebraska corporation equally owned by Defendant THOMAS SCHROPP and another person known to the Grand Jury. R&C Properties owned the building and equipment used by PK Manufacturing Corporation to manufacture their products and conduct their business.

5. Schropp Industries, Inc., d/b/a PK Manufacturing Corporation, was insured against fire for loss to their building and business personal property/contents located at 1608 U.S. Highway 75, Nashville, Washington County, Nebraska, by Sentry Insurance a Mutual Company (Sentry Insurance), an insurance carrier doing business in the State of Nebraska and elsewhere.

6. Schropp Industries, Inc. d/b/a PK Manufacturing Corporation's insurance contract with Sentry Insurance specifically excluded coverage for any fire losses intentionally caused by the policy holder or its agents.

COUNT I
ARSON OF A BUILDING USED IN INTERSTATE COMMERCE

7. The Grand Jury realleges and incorporates as if fully set forth herein Paragraphs 1-6 of this Indictment.

8. On or about November 20, 2008, in the District of Nebraska, the Defendant, THOMAS SCHROPP, did knowingly aid, abet, counsel, command, induce, and procure, and willfully cause another to maliciously damage and destroy by means of fire, a building located at 1608 U.S. Highway 75, Nashville, Washington County, Nebraska, used in interstate commerce and in activities affecting interstate commerce.

All in violation of Title 18, United States Code, Sections 844(i) and 2.

COUNT II
(MAIL FRAUD)

9. The Grand Jury realleges and incorporates as if fully set forth herein Paragraphs 1-6 of this Indictment.

10. Beginning on a date unknown, but no later than on or about November 20, 2008, and continuing through June, 2011, the Defendant, THOMAS SCHROPP, knowingly devised and executed and attempted to devise and execute, a scheme and artifice to defraud and to obtain

money and property from Sentry Insurance by means of materially false and fraudulent pretenses, representations, promises, and omissions of material facts.

11. It was part of the scheme and artifice to defraud that on or about November 20, 2008, the Defendant, THOMAS SCHROPP, caused the building and its contents located at 1608 U.S. Highway 75, Nashville, Washington County, Nebraska, to be damaged and destroyed by fire.

12. It was further part of the scheme and artifice to defraud that the Defendant, THOMAS SCHROPP, filed and caused to be filed, an insurance claim in his capacity as an owner and President of PK Manufacturing Corporation, with Sentry Insurance seeking approximately \$4,340,353.87 for damage caused by the fire.

13. It was further part of the scheme and artifice to defraud that the Defendant, THOMAS SCHROPP, falsely and fraudulently represented to Sentry Insurance that the fire damage did not originate by any act, design or procurement on his part.

14. On or about November 25, 2008, in the District of Nebraska and elsewhere, the Defendant, THOMAS SCHROPP, for the purpose of executing and attempting to execute the aforesaid scheme and artifice to defraud and attempting to do so did knowingly cause to be sent and delivered by UPS, a private and commercial interstate carrier, the following matter: a \$240,000 claims check from Sentry Insurance sent from Stevens Point, Wisconsin to the PK Manufacturing Corporation in Omaha, Nebraska.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT III -V
(WIRE FRAUD)

15. The Grand Jury realleges and incorporates as if fully set forth herein Paragraphs 1 through 6 and 9 through 13 of this Indictment.

16. On or about the dates listed below, in the District of Nebraska and elsewhere, for the purpose of executing said scheme and artifice to defraud and to obtain money by means of materially false and fraudulent pretenses, representations, and promises, the Defendant, THOMAS SCHROPP, did knowingly transmit and cause to be transmitted, by means of wire and radio communications in interstate commerce, certain writings, pictures, signals and sounds to wit: facsimile messages to and from the District of Nebraska and elsewhere, as set forth in the chart below, each such instance being a separate Count of this Indictment:

<u>Count</u>	<u>Date (On or About)</u>	<u>From/To</u>	<u>Nature of Wire</u>
III	12/11/2008	PK Manufacturing Corporation in Nebraska to Matrix Business Consulting-Denver, Colorado	Facsimile / Notice of Representation
IV	12/11/2008	PK Manufacturing Corporation in Nebraska to Sentry Insurance-Statesville, North Carolina	Facsimile / Engineers Report
V	1/15/2009	PK Manufacturing Corporation in Nebraska to Matrix Business Consulting-Denver, Colorado	Facsimile / Partial Sworn Statement of Proof of Loss

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT VI
ARSON IN CONNECTION WITH A FEDERAL FELONY

17. The Grand Jury realleges and incorporates as if fully set forth herein Paragraphs 1-6 of this Indictment

18. On or about the November 20, 2008, in the District of Nebraska, the Defendant, THOMAS SCHROPP, did knowingly use and caused to be used fire to commit a felony which may be prosecuted in a court of the United States, to wit: Mail Fraud, in violation of Title 18, United States Code, Section 1341, and Wire Fraud, in violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 844(h) and 2.

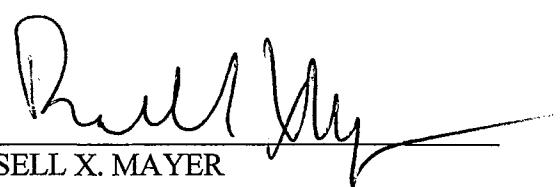
A TRUE BILL



FOREPERSON

ROBERT C. STUART
Acting United States Attorney

The United States of America requests that trial of this case be held in Omaha, Nebraska, pursuant to the rules of this Court.



RUSSELL X. MAYER
Assistant U.S. Attorney